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Observations on Chinese Communist Attitude toward Cease Fire in Korea, Peiping, Tientsin and Harbin

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aragraph l.

- The stiff attitude of the U.S. at Kaesong was quite unexpected by the Chinese Communists, but in their anxiety to secure a cease-fire they will yield ground to gain political objectives in their peace offersive. The following are their cardinal principles for the negotiations:
 - Militarily they will grant many concessions and will obtain North Korean assent.
 - b. Even if United Nations terms are so severe that they are completely unacceptable to the Chinese, they will find some formula to continue discussions until September, when they expect marked changes in the international situation.2
 - c. During the cease-fire talks the Chinese will try to build up the international position of the North Korean regime and to discover a means for China to enter the United Nations and participate in the signing of the Japanese peace treaty.

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- ## Propaganda-wise the Chinese will harp on their love of peace and security, painting the U.S. as insincere and a warmonger, so as to drive a wedge between Britain and the U.S.
- The Communists in Tientsin are using the period of the cease-fire negotiations to procure material. Between the middle of June and the middle of July the authorities were authorizing trading companies and agencies abroad to purchase all available cotton cloth to be shipped to China to meet the shortage in the domestic market. Automobile spare parts, tires, communication equipment, and medicine are among the items emphasized in the purchasing program. During June more than U.S. 34,000,000 worth of commodities was imported through Tientsin alone.
- 3. Since the beginning of the negotiations both the Communists and the people of Harbin have accepted the belief that the Chinese Communist soldiers have won the war and that the United Nations forces are suing for peace.

 Nevertheless directions have been given high-level political workers to demand the utmost in all endeavors; these directions warn against optimism or relaxation as a consequence of the cease-fire talks.
 - Up to the end of June, except for wounded soldiers and badly shattered units, no Chinese troops have moved from the Korean front to the rear. On the contrary one Army each of the 4 and 5 Army Groups, of the 2 Field Army, have gone to the front. In addition one Hongol cavalry division has moved to the front.

Comment.

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Council, the Chinese are disturbed by the stiff attitude of the United States at Kaesong and by the war preparations of the Morth Atlantic Treaty Organization. In order to preserve China's strength and avoid unnecessary sacrifices in preparation for the next world war, and in order to wait for the next move of the Soviets, the Chinese are very anxious to get a temporary cease-fire in Korea. To achieve their peace-offensive objectives the Chinese are mounting a propaganda campaign in which they accuse the United States of insincerity in desiring peace; the purpose of these accusations is to make more difficult the presentation by the United States of "extravagant cease-fire terms".

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Comment. Threats of Soviet participation in the Korean war, or of the beginning of another world war in which the Soviets are to fight along with the Chinese, to begin in September 1951, are to be found in of which the information pretends to be of Communist origin. These threats are tied in with the signing of the Japanese peace treaty.

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